



ROADMAP TO FLORIDA'S FUTURE

2010–2015 Strategic Plan for Economic Development

PRIORITY RECOMMENDATIONS

LEADERSHIP
FOR THE
21ST CENTURY —
DIVERSIFYING
FLORIDA'S
ECONOMY

ROADMAP TO FLORIDA'S FUTURE

2010-2015 Strategic Plan for Economic Development

» Florida's economy is in transition.

For the past few decades, Florida enjoyed rapid economic expansion fueled by population-driven growth in construction and real estate. Florida was a job creation engine, consistently ranking among the fastest growing states across numerous measures, from growth in economic output to employment growth.

Now, as Florida emerges from the 2008-09 global recession, it is clear that the trajectory of future growth will, and must, be different.

What is clear is that during the severe downturn the structure of the state's economy is changing and that some of the changes will be permanent. The clearest is a reduced role for industries related to growth, such as construction and real estate. They will remain important, just diminished as a share of overall economic activity. The population growth rate over the next twenty years is projected to average about half of what it was over the past twenty.

Dr. David Denslow, University of Florida, in *Idea Exchange*, Spring 2009

» In this changing reality, what is Florida's path to future prosperity?

The undeniable answer is growing Florida's knowledge and innovation based economy.

National thought leaders from the private and public sectors, economists, and Florida's economic development stakeholders agree that innovation is the means to improved competitiveness and sustainable, high quality growth.

NATIONAL

In a global economy, U.S. regions can no longer primarily compete based on their natural resource endowment, low cost labor, or tax incentives. Instead, regional prosperity depends upon a region's capacity to support innovative firms, institutions, and people.

Council on Competitiveness, *Measuring Regional Innovation*

REGIONAL

... a state's knowledge stocks—the innovativeness of its firms and the education and training of its workforce — are key determinants of its per capita personal income.

Federal Reserve Bank of Cleveland, *Paths to Prosperity*

STATE

96% of online survey respondents indicated that investing in Florida's innovation economy is a leading priority and critical to Florida's future.

Roadmap to Florida's Future, 2009 on-line survey at www.eflorida.com/roadmap

» Is Florida competitive?

As the 4th largest state in the U.S., and the 20th largest economy in the world, Florida should strive to be a global innovation leader commensurate with its ranking. That is a long term vision that will require sound public policy, business success, and effective partnerships.

While Florida has made gains over the last decade in several important measures such as per capita income, productivity, education, and start-up business formation, these gains belie the true challenge of catching up to major innovation competitors such as California, Massachusetts, New York, North Carolina, Texas and Virginia.

Florida's Competitiveness: 2010 (provided as an appendix to this report) documents the magnitude of the challenge Florida faces in reaching its goal.

FLORIDA'S CURRENT NATIONAL RANKING	
Select Measures of Prosperity	
Productivity	23
Average Annual Wage	25
High-Tech Employment	4
Select Measures of Innovation Capacity	
R&D	16
U.S. Patents	12
Venture Capital Investment	16
University Start-ups	6
Select Measures of Florida's Global Leadership	
Foreign Direct Investment	9
State Origin Exports	5
High-Tech Exports	3

Source: *Florida's Competitiveness 2010*

» Shared vision. Shared sense of urgency.

Establishing Florida as a global innovation leader is a vision shared by the state's economic development, education, workforce, and business communities. This consensus has never been stronger, or the call to action more urgent.

- Enterprise Florida, the Florida Council of 100, and the Florida Chamber of Commerce have joined forces for a united business voice.
- There is alignment with the Florida Chamber's six pillar framework of talent, innovation, infrastructure, business climate, governance, and quality of life.



Joint testimony by Enterprise Florida, the Florida Council of 100, and the Florida Chamber to the Florida Senate Select Committee on Florida's Economy, 2009.

PHOTO COURTESY OF FLORIDA CHAMBER

- The Innovation Caucus, a partnership of multiple organizations with the Florida Chamber Foundation, has created a long term 2030 vision built on cluster growth and talent.
- There is alignment and strong partnership among diverse strategic planning efforts, such as between the Roadmap and Workforce Florida's strategic planning process.
- The 2009 Roadmap regional forums strongly support the view that knowledge and innovation must be the goal and that legacy industries and all of Florida—metro to rural—need to participate in this new economy.

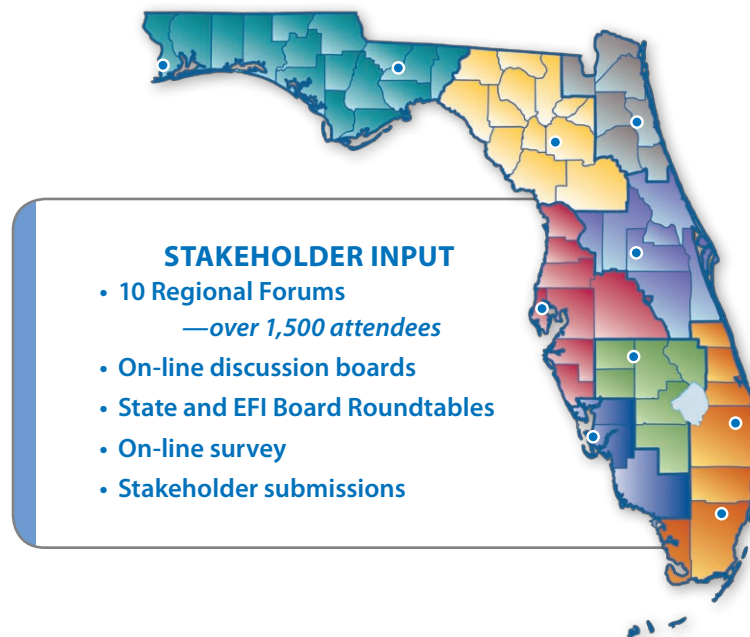
» The Roadmap Process

The *Roadmap to Florida's Future* is the official five-year statewide strategic plan for economic development. It identifies key priorities and specific action recommendations to diversify Florida's economy for global competitiveness.

Every three years, it is developed through broad stakeholder input provided through a series of grassroots regional forums held throughout the state. Progress reports are developed annually.

In 2009, stakeholder input was gathered for the 2010-2015 Roadmap:

- The Enterprise Florida Board is mandated by the Legislature to develop the *Roadmap* and submit it to the Governor and Legislative leaders by January 1st of each year.
- Long-term vision
- 5 year plan
- Refreshed every 3 years
- Updated annually



REGIONAL & STATE FORUMS

NORTH CENTRAL

June 3
Gainesville

NORTHEAST

June 10
St. Augustine

SOUTHWEST

June 17
Fort Myers

EAST CENTRAL

June 23
Orlando

TAMPA BAY

June 25
Tampa

GLOBAL COMMERCE FORUM

July 14
Miami Gardens

SOUTH CENTRAL

July 15
Sebring

SOUTHEAST

July 23
West Palm Beach

NORTHWEST

Regional Forums
July 29
Pensacola
July 30
Tallahassee

STATE ROUNDTABLE

July 30
Tallahassee



Key Findings

Regional forums and broad-based stakeholder input highlighted strategic priorities critical for Florida's future and its economic development strategic plan, and converged around the shared vision of establishing Florida as a leader in the global innovation economy (4th –ranked as an innovation state commensurate with its size).

- 1. Florida must continue to diversify its economy by focusing on higher value-added, innovation-driven growth.** There is a strong sense of urgency that Florida must reduce its reliance on population-based growth and increase its economic diversification—and widespread agreement that the state's clusters must be the means through which this is achieved.
 - Florida cannot leave any of its industries behind. Rather, new technologies and market opportunities must be leveraged to help foundational clusters expand and transform.
 - Florida must stay the course in expanding leadership in its industry clusters.
 - Immediate opportunities to develop new clusters—such as global logistics and creative industries—should be explored.
 - Horizon scanning is needed to anticipate the growth opportunities and breakthrough technologies of the future.
- 2. Education and world-class talent is economic development.** Florida needs a world class K-20 education system and seamless talent supply chain to meet workforce demands at all skill levels. STEM—science, technology, engineering and math—is of the utmost priority if Florida is to achieve its long term goal.
- 3. Florida must establish the foundation for innovation-based economic development with an innovation value chain.** Innovation will be the key to improved competitiveness and growth across all clusters. Florida must work to strengthen its “innovation value chain”, putting all of the pieces in place to support not only strong research, but also its transition into the economy via new products and adoption by companies. This will take strong commercialization support systems, capital, and outreach.
- 4. Florida must shift from “growth management” to “growth leadership”** —using a systems approach to address inter-related issues such as transportation and land use, as well as emerging issues like broadband, water, and energy.
- 5. A competitive business climate is fundamental.** To jump-start economic growth and job creation in the short-term and improve long-term competitiveness, Florida should re-tool its incentive toolkit to meet new needs. Business costs, regulatory systems, and small business friendliness remain important.
- 6. Florida is an international state.** International exports have helped buffer the effects of the downturn and international commerce will be an important opportunity in Florida's recovery. We cannot and should not minimize the importance of a global orientation though trade, tourism and commerce, and must be positioned to take advantage of the shifting global landscape.
- 7. Quality of life is one of Florida's biggest assets.** Florida must protect its unique quality of life and enhance sense of place to support the attraction on businesses, workers, and tourists.

STRATEGIC VISION

Leadership in the Global Innovation Economy

**EXPANSION /
TRANSFORMATION**
of Florida's
foundational clusters

EXPANSION
of Florida's
industry clusters

EMERGENCE
of new
industry clusters

**DIVERSIFYING FLORIDA'S ECONOMY:
CLUSTER STRATEGIES**

TALENT

Raise the Bar for K-12
Meet "Middle Skill"
Demand
Higher Education
Excellence
Demand-Driven
Workforce System
STEM Across the Talent
Supply Chain

INNOVATION

Expand R&D
Accelerate
Commercialization
Increase Venture
Capital
Expand Outreach and
Support Structure

GROWTH LEADERSHIP/ INFRA- STRUCTURE

Multimodal
Transportation
Balanced Land Use
Broadband
Deployment
Sustainable Energy
Needs
Sustainable Water
Supply

BUSINESS CLIMATE

Incentive Toolkit for
the 21st Century
Small Business and
Entrepreneurship
State and Local
Regulatory
Environment
Predictable,
Competitive Business
Costs

GLOBAL HUB

Leadership in Trade,
Tourism, and FDI
Enhance "Hard"
and "Soft" Global
Commerce
Infrastructure

QUALITY OF LIFE

Creative Class
Amenities

STRATEGIC PRIORITIES

RECOMMENDATION HIGHLIGHTS

DIVERSIFYING FLORIDA'S ECONOMY: CLUSTER STRATEGIES

Expand and Transform Foundational Clusters

Advanced Manufacturing | Agriculture | Construction | Marine | Space | Tourism

Expand Industry Clusters

Aviation & Aerospace | Clean Energy | Financial & Professional Services | Homeland Security & Defense | Infotech | Life Sciences

New Clusters

Pursue Immediate Opportunities - Logistics | Creative Industries

Anticipate Emerging Technology Opportunities - Nanotechnology Strategy | Multi-disciplinary Research | Science and Technology Advisory Committee

TALENT

K-12 Excellence

Raise the Ceiling for Excellence – Start Early | Teacher Quality | Accountability and Standards | Achievement Gaps | Arts Education | Languages

“Middle Skill” Demand

Expand Career/Professional Academies | Leverage Florida College System and Career Colleges

Higher Education

Develop Florida Universities as Best-in-Class | Align with Industry Clusters for Economic Growth | Role for Private Institutions

Workforce

Workforce and Economic Development Partnership | Statewide Supply/Demand Analysis | Banner Centers to Next Level | Workforce Training Incentives

Science, Technology, Engineering, and Math (STEM)

Florida STEM Council | Regional and Industry Initiatives | STEM Pipeline

RECOMMENDATION HIGHLIGHTS

INNOVATION

R&D

Expand Academic R&D - World Class Scholars Program | Centers of Excellence | Federal R&D and Facilities
Expand Corporate R&D - R&D Tax Credit | Innovation Fund
Expand Military R&D – Develop Strategy to Leverage Defense/Military R&D

Commercialization

Provide Gap Funding - SURCAG | SBIR | Small Business Technology Investment Pilot Program
Strengthen Commercialization Infrastructure - Institute for the Commercialization | Incubators and Accelerators | Culture of Commercialization

Venture Capital

Seed/Early Stage Capital - Florida Opportunity Fund | Florida Growth Fund | Angel Networks
Management Talent - “Entrepreneur in Residence” programs | Professional Science Masters & Entrepreneurship Degree Programs | Regional Entrepreneur “Boot Camps”

Outreach & Support Structure

Technical Assistance - MEP | SBDC
Regional “Innovation Networks”
University Partnerships

GROWTH LEADERSHIP / INFRASTRUCTURE

Multi-modal Transportation

SIS | New Funding Models

Land Use

Link to Transportation | Regional Strategies with Regional Visioning | Flexibility | Military Base Encroachment

Broadband

Jump Start through Stimulus Funding | Develop Longer-Term Strategy

Energy

Renewable Energy Policies | Energy Efficiency

Water

Link Regional Water Planning | Emerging Business Development Opportunity

RECOMMENDATION HIGHLIGHTS

BUSINESS CLIMATE

Retool the Incentive Toolkit

Accelerate Job Creation - Adjust QTI & HIPI | Invest in Quick Action Closing Fund
Promote Productivity Through Capital Investment - Adjust MME & CITC
Expand Corporate R&D - R&D Tax Credit | Expand Innovation Incentive Fund | Expand University Match
Increase Corporate Headquarters - Adjust CITC & QTI

Small Business / Entrepreneurship

Low Interest Loan Fund | Technical Assistance | Transferable Tax Credits | Regulatory Issues

Regulatory Environment

Expedited Permitting | Industry-specific Issues

Business Costs

Support Manufacturers' Sales and Use Tax Exemptions | Property Insurance

GLOBAL HUB

International Commerce

Trade | FDI | Tourism

International Infrastructure

Multi-Modal Transportation Infrastructure - Ports | Rail | Roads
Language Skills
Regulatory Issues - Ports | Banking | Visas

QUALITY OF LIFE

Quality of Life and Creative Class Amenities

Regional Creative Class Initiatives | Planning Tools | Integration with Economic Development